1939 General Letter No. 11

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Southern Division

April 24, 1939.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Long Staple Cotton - A.C.P.

Numerous inquiries have been received in this Division with reference to the provisions of the 1939 Agricultural Conservation Program as they relate to long staple cotton.

It is assumed that there are no questions regarding the provisions of the cotton marketing quota regulations for the 1938-39 marketing year (Cotton 207).

As to the provisions of the agricultural conservation program, "cotton" means that cotton the staple of which is normally less than 1-1/2 inches in length. True-type Sea Island and American-Egyptian cotton are the only varieties of long staple cotton for which records are available showing that such cotton normally produce a staple that is 1-1/2 inches or more in length. The acreage planted to these two approved varieties of cotton is included in the general crop classification. Before any acreage planted to any other variety of cotton is considered as a general soil-depleting crop under the provisions of the agricultural conservation program, it must be shown from reliable records, such as experiment station data, that such cotton normally produces a staple of 1-1/2 inches or more in length. A showing that any particular variety of cotton normally produces staple the length of which is 1-1/2 inches or more must cover a period of a few years at a recognized State or Federal experiment station.

Any cotton other than the above-mentioned two varieties will be considered as cotton until such varieties have been approved by the Department of Agriculture as varieties normally producing staple the length of which is 1-1/2 inches or more, unless the entire production of such varieties is classed in 1939 as having staple of such length.

Any person who knowingly plants cotton in excess of his allotment, expecting such excess acreage to produce cotton having a staple of 1-1/2 inches or more in length, will be deemed to have knowingly overplanted his allotment, unless such excess acreage is planted to either true-type Sea Island, American-Egyptian, or a variety of cotton which has been approved by the Department as a variety which normally produces a staple the length of which is 1-1/2 inches or more, or unless the entire production of such acreage produces a staple having a length of 1-1/2 inches or more.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 12

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

April 25, 1939.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Eligibility for payment under the agricultural conservation and price adjustment programs of Federal agencies and of private persons carrying out farming operations on lands owned or controlled by the United States or its agencies.

This is with regard to whether payment under the agricultural conservation programs and the price adjustment programs formulated under Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, and the Price Adjustment Act of 1938, respectively, may be made to Federal agencies and to private persons who are carrying out farming operations on lands owned or controlled by the Federal Government or its agencies.

Eligibility of Federal agencies

The policy of the Congress set out in the Act precludes the making of payments to the Government of the United States or any department, bureau, or other agency thereof, including any corporation wholly owned by the United States. Accordingly, payments have been denied to the Commodity Credit Corporation, Federal Farm Mortgage Corporation, the Reconstruction Finance Corporation, the Farm Security Administration, the Tennessee Valley Authority, the Forest Service, Federal Intermediate Credit Banks, Regional Agricultural Credit Corporations, and any other establishment of any kind which is a part of the Executive Branch of the Government.

If payments in such cases were authorized by the statutes, they would serve only to augment the appropriation of the Federal agency receiving them, and would represent, after all, only a bookkeeping transaction.

On the other hand, payments have been authorized to the Federal Land Banks, the Federal Deposit Insurance Corporation, Joint-Stock Land Banks, Production Credit Associations, Banks for Cooperatives, National Agricultural Credit Corporations, and other similar corporations or

institutions, since these agencies are not wholly owned and controlled by the United States.

It appears that this policy should be followed in the future.

Eligibility of private persons

Any private person renting, leasing, or carrying out farming operations as a sharecropper, share tenant, or cash tenant on land owned or controlled by any federal agency, whether or not wholly owned by the United States, is eligible to make application for and receive payment under the provisions of the agricultural conservation and price adjustment programs with respect to such land, except that no payments will be made to any private person or public agency with respect to land acquired by the United States Forest Service, the United States Soil Conservation Service, or the United States Bureau of Agricultural Economics, for the reason that these lands have been acquired for the primary purpose of effecting their conservation and it is anticipated that such lands will be kept permanently under Government ownership.

However, a person who carries out farming operations on land rented or leased from the Forest Service, the Soil Conservation Service, or the Bureau of Agricultural Economics, and also carries out farming operations on other land, may make application for and receive payment with respect to such other land provided he has not adopted any practice which is expressly or impliedly denounced in the bulletins setting forth the terms and conditions of the programs or which the Secretary of Agriculture determines tends to defeat any of the purposes of the agricultural conservation and price adjustment programs.

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 12, Supplement 1

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

June 9, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Eligibility for payment under the agricultural conservation and price adjustment programs of Federal agencies and of private persons carrying out farming operations on lands owned or controlled by the United States or its agencies.

This letter is to supplement 1939 General Letter No. 12, issued April 25, 1939, in connection with the above-captioned subject.

In order to prevent misunderstanding and to insure uniform interpretation throughout the region, your attention is invited to the fact that the word "acquired" when used with respect to lands of the United States Forest Service, the United States Soil Conservation Service, or the United States Bureau of Agricultural Economics, is interpreted to mean the acquisition of both title to and possession of the land. For example, the operator of land which at the beginning of the farming year 1939 is under option to the Federal Government may, unless the option or other agreement with the Government otherwise provides, carry out soil-building practices and otherwise comply with the provisions of the 1939 Agricultural Conservation Program if his possession throughout the period in which such performance is rendered by him is assured by a lease or use permit, valid as against the Government, even though title (subject, of course, to the lease or use permit) may pass to the Federal Government during such period of performance, and may receive payment under the 1939 program for such performance.

In other words, if a farmer has started cooperating in the program on a farm which is in the process of being acquired by one of the three Government agencies named and such agency has not acquired title to it and the farmer has a right to remain on the land under an agreement with the Government agency, he should be allowed to complete the performance which he has started and which can be completed within the time he has such right to remain on the land and to receive payment for such cooperation.

It is believed that the owner of land under option to the Federal Government should be permitted to participate in the program and plan his farming operations accordingly, since the fact that the land is under

option does not necessarily mean that the Federal Government will acquire title during that year or at all. Once the farmer has instituted one or more practices to comply with the program, he should be permitted to finish such compliance, notwithstanding that the legal title to the land has passed to the United States, provided, of course, the farmer retains possession and control until the end of the period during which he renders performance under the program.

However, if the title to the land is held by the Forest Service, Soil Conservation Service, or the Bureau of Agricultural Economics at the beginning of the farming year, the land will not be eligible for participation in the program even if it is leased to a private person (whether the person who sold the land to the Government, or another person).

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 13

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

April 26, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Division:

The following question and answer pertains to the time of cutting small grains when used as a nurse crop for legumes and perennial grasses in order to be considered as "cut green for hay".

Question: Under what conditions are small grains planted as a nurse crop for legumes and perennial grasses considered as "cut green for hay"?

Answer: Small grains, such as oats, rye, and barley (including wheat on a non-allotment farm), which are planted as a nurse crop for legumes or perennial grasses and which are to be considered as cut green for hay, should be cut while in the bloom stage, and in no event later than the milk stage.

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 14

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
SOUTHERN DIVISION

May 18, 1939

To All Administrative Officers in Charge and State Committeemen
Agricultural Adjustment Administration
Southern Region:

Re: Change in Definition of Idle Farm, 80 Percent Provision, and Eligibility for 1939 Price Adjustment Payments.

Supplement No. 3 to P-1, "Regulations Pertaining to the 1939 Price Adjustment Payment Program for Producers of Wheat, Cotton, Corn (in the Commercial Corn-Producing Area), Rice and Tobacco", approved by the Secretary on May 13, 1939, reads as follows:

"Section 2 is hereby amended to read as follows:

"Eligibility for Payment. In order to be eligible for a price adjustment payment with respect to a commodity, a person must have an interest as a landlord, tenant, or sharecropper in a farm (1) for which an acreage allotment has been established for the commodity under the 1939 Agricultural Conservation Program; (2) on which the acreage planted to such commodity for harvest in 1939 is not in excess of such acreage allotment; and (3) which is not idle in 1939, or, in the case of wheat, on which such crop was planted for harvest in 1938 or 1939, or the county committee determines that the failure to plant wheat for harvest in at least one of such years was due to flood or drought."

Under the above provisions a price adjustment payment will be computed with respect to cotton or rice for any farm on which the respective acreage allotment is not exceeded in 1939 and which is not idle in 1939; and with respect to wheat, on any farm on which the wheat acreage allotment is not exceeded in 1939 and which is not idle in 1939, or, if idle, the county committee determines that wheat was seeded for harvest in 1938 or 1939 or failure to seed wheat for harvest in 1938 or 1939 was due to flood or drought.

No payment under the 1939 Agricultural Conservation Program except for carrying out soil-building practices or restoration land measures shall be computed for any farm which is idle in 1939, and no payment under the 1939 Price Adjustment Program shall be computed for any farm which is idle in 1939, except as stated above in the case of wheat.

A farm will not be deemed to be idle in 1939 if normal farming operations are carried out on the farm in 1939 or it is determined by the Director of the Southern Division, upon the basis of recommenda-

tions and information submitted by the State and county committees, that the operator was prevented from carrying out normal farming operations by causes beyond his control. Normal farming operations will be deemed to have been carried out if:

A. An acreage equal to one-half or more of the sum of the special and general acreage allotments for the farm is devoted to one or more of the following uses:

1. A crop seeded for harvest in 1939,

2. A crop (other than wild hay) harvested in 1939,

3. Summer-fallow in 1939,

4. Seeded legumes or grasses (other than those seeded in the fall of 1939),

5. Small grains seeded for pasture in 1939 (other than small grains seeded in the fall of 1939).

The above information regarding the determination of whether a farm is idle in 1939 supersedes the information contained in 1939 General Letter No. 8, dated March 15, 1939.

80 PERCENT PROVISION REMOVED - As all State Administrative Officers were advised in a telegram dated April 10, the 1939 Agricultural Conservation Program Bulletin has been amended by removing from the program the provision for computing payment on 125 percent of the acreage planted to cotton, wheat, rice, vegetables or potatoes, where the acreage planted to such crop is less than 80 percent of the respective acreage allotment and failure to plant 80 percent of the allotment was not due to flood or drought. Payment will be computed on the basis of the allotment for each crop, irrespective of the acreage planted for harvest, unless it is determined, in accordance with the above information, that the farm is idle in 1939.

The information contained in this letter should be sent to all counties immediately.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 14, Supplement 1.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

September 5, 1939.

To All Administrative Officers in Charge and State Committeemen
Agricultural Adjustment Administration
Southern Region:

Re: Change in Definition of an Idle Farm.

Supplement No. 3 to P-1, "Regulations Pertaining to the 1939 Price Adjustment Payment Program for Producers of Wheat, Cotton, Corn (in the Commercial Corn-Producing Area), Rice and Tobacco", approved by the Secretary on May 13, 1939, reads as follows:

"Section 2 is hereby amended to read as follows:

"Eligibility for Payment. In order to be eligible for a price adjustment payment with respect to a commodity, a person must have an interest as a landlord, tenant, or sharecropper in a farm (1) for which an acreage allotment has been established for the commodity under the 1939 Agricultural Conservation Program; (2) on which the acreage planted to such commodity for harvest in 1939 is not in excess of such acreage allotment; and (3) which is not idle in 1939, or, in the case of wheat, on which such crop was planted for harvest in 1938 or 1939, or the county committee determines that the failure to plant wheat for harvest in at least one of such years was due to flood or drought."

Under the above provisions a price adjustment payment will be computed with respect to cotton or rice for any farm on which the respective acreage allotment is not exceeded in 1939 and which is not idle in 1939; and with respect to wheat, on any farm on which the wheat acreage allotment is not exceeded in 1939 and which is not idle in 1939, or, if idle, the county committee determines that wheat was seeded for harvest in 1938 or 1939 or failure to seed wheat for harvest in 1938 or 1939 was due to flood or drought.

No payment under the 1939 Agricultural Conservation Program except for carrying out soil-buidling practices or restoration land measures shall be computed for any farm which is idle in 1939, and no payment under the 1939 Price Adjustment Program shall be computed for any farm which is idle in 1939, except as stated above in the case of wheat.

A farm will not be deemed to be idle if normal farming operations were carried out on the farm in 1939.

Normal farming operations will be deemed to have been carried out if:

A. An acreage equal to one-half or more of the sum of the special and general acreage allotments for the farm is devoted to one or more of the following uses:

1. A crop seeded for harvest in 1939,

2. A crop (other than wild hay) harvested in 1939,

3. Summer-fallow in 1939,

4. Seeded legumes or grasses (other than those seeded in the fall of 1939),

5. Small grains seeded for pasture in 1939 (other than small grains seeded in the fall of 1939).

If, in the judgment of the county committee, a farm is not idle even though normal farming operations were not carried out in accordance with the above provisions, a statement of the facts in the case, together with the recommendation of the county committee, should be attached to the application for payment for such farm and submitted to the State committee. If the State committee concurs with the recommendation of the county committee, such application with the recommendation of the State and county committee should be submitted to the Director of the Southern Division for his approval.

The above information regarding the determination of whether a farm is idle in 1939 supersedes the information contained in 1939 General Letter No. 14, dated May 18, 1939.

Very truly yours,

I. W. Duggan

I. W. Duggan
Director, Southern Division.

1939 General Letter No. 14, Supplement 1 (Revised)

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

January15, 1940

To All Administrative Officers in Charge and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Change in definition of an "idle farm".

Supplement No. 3 to P-1, "Regulations Pertaining to the 1939 Price Adjustment Payment Program for Producers of Wheat, Cotton, Corn (in the Commercial Corn-Producing Area), Rice and Tobacco", approved by the Secretary on May 13, 1939, reads as follows:

"Section 2 is hereby amended to read as follows:

"Eligibility for Payment. In order to be eligible for a price adjustment payment with respect to a commodity, a person must have an interest as a landlord, tenant, or sharecropper in a farm (1) for which an acreage allotment has been established for the commodity under the 1939 Agricultural Conservation Program; (2) on which the acreage planted to such commodity for harvest in 1939 is not in excess of such acreage allotment; and (3) which is not idle in 1939, or, in the case of wheat, on which such crop was planted for harvest in 1938 or 1939, or the county committee determines that the failure to plant wheat for harvest in at least one of such years was due to flood or drought."

Under the above provisions, a price adjustment payment will be computed with respect to cotton or rice for any farm on which the respective acreage allotment is not exceeded in 1939 and which is not idle in 1939; and with respect to wheat, on any farm on which the wheat acreage allotment is not exceeded in 1939 and which is not idle in 1939, or, if idle, the county committee determines that wheat was seeded for harvest in 1938 or 1939 or failure to seed wheat for harvest in 1938 or 1939 was due to flood or drought.

No payment under the 1939 Agricultural Conservation Program, except for carrying out soil-building practices or restoration land

measures, shall be computed for any farm which is idle in 1939, and no payment under the 1939 Price Adjustment Program shall be computed for any farm which is idle in 1939, except as stated above in the case of wheat.

A farm will not be deemed to be idle if normal farming operations were carried out on the farm in 1939.

Normal farming operations will be deemed to have been carried out if an acreage equal to one-half or more of the sum of the special and general acreage allotments for the farm is devoted to one or more of the following uses:

(1) A crop seeded for harvest in 1939;
(2) A crop (other than wild hay) harvested in 1939;
(3) Summer-fallow in 1939;
(4) Seeded legumes or grasses (other than those seeded in the fall of 1939);
(5) Small grains seeded for pasture in 1939 (other than small grains seeded in the fall of 1939).

If, in the judgment of the county committee, a farm is not idle, even though normal farming operations were not carried out in accordance with the above provisions, a statement of the facts in the case, together with the recommendation of the county committee, should be attached to the application for payment for such farm and submitted to the State committee. If the State committee concurs with the recommendation of the county committee, the approval of the State committee will be indicated on the recommendation of the county committee by the signature of a member of the State committee, after which the application may be certified for payment if otherwise correct.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 15

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

May 23, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region.

Re: Changes Between Landlord or Operator and Tenants or Sharecroppers.

In accordance with the provisions of Section 13 G of SRB-301A and Section 11 G of SRB-301B pertaining to 1939 Agricultural Conservation Program and Section 6 of the regulations pertaining to the 1939 Price Adjustment Program, it is necessary that county committees give special consideration to all cases where there has been a change between the landlord or operator and the tenants or sharecroppers which would increase the amount of payment to the landlord or operator with respect to the farm in question over that which he would have otherwise received.

In each case where the county committee has reason to believe that there may have been a violation of the above provisions, the committee shall obtain the following information for each of the years 1936, 1937, 1938, and 1939 with respect to the farm as constituted in 1939:

(1) The number of tenants and sharecroppers on the farm.

(2) For each special crop for which an allotment is established for the farm for 1939 and also for general crops in the A Area --

(a) The total acreage of the special crop or general crops on the farm;

(b) The acreage share of the landlord or operator;

(c) The percentage which the acreage share of the landlord or operator is of the total acreage of the crop on the farm.

If there has been (1) a reduction in the number of tenants below the average number on the farm during the preceding three years and such reduction has resulted in the landlord or operator receiving a larger proportion of the acreage of any such crop (or of the allotment, where it is necessary to use the allotment as the basis of division of payment in 1939) than his average proportion for the preceding three years, or (2) an increase in the proportionate share of the landlord or operator in such crop (or allotment) in 1939 over his share in 1938, it will be necessary for the committee to determine whether the change is justified. In making this determination, the committee shall carefully consider all of the facts and circumstances involved in the case.

If the committee determines that the change was made for the purpose of obtaining for the landlord or operator a larger share of the payment due under the Agricultural Conservation or Price Adjustment Program, such change shall be found not justified and shall be disapproved by the committee. If no acreage is planted to the crop in 1939, whereas such crop was produced with the aid of tenants or sharecroppers in the previous year, such fact will constitute evidence that the change is not justified unless specific evidence to the contrary is presented to the committee. If the acreage of such a crop is substantially reduced and there is also a reduction in the number of tenants or sharecroppers as well as a reduction in the share of the crop for tenants and sharecroppers, such facts will constitute evidence that the change is not justified unless specific information to the contrary is submitted to the county committee. In no case will a reduction in the acreage of a crop grown on a farm be considered as justifying a change which would result in a larger proportion of the payment being made to the landlord or operator than would have been made to him had such acreage not been reduced.

Where the committee finds that the change is not justified, it shall so certify on the application for payment and shall show the share of the payment to which the landlord or operator is entitled, in which case he will receive only that portion of the payment which he would have received had the change not been made in 1939.

If the change is found to be justified and is approved by the county committee, payment to the landlord or operator will be based on such person's 1939 acreage shares in the regular manner.

The foregoing should be brought to the attention of all county committeemen, since the provisions are applicable in the case of payment due with respect to cotton, wheat, tobacco, potatoes, peanuts, rice, commercial vegetables, celery and general soil-depleting crops

under the 1939 Agricultural Conservation Program and with respect to cotton, wheat, and rice under the 1939 Price Adjustment Programs.

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 16

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

July 18, 1939.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Final date for filing Forms ACP-69 under the 1939 ACP

This is with regard to the establishment of a final date for the execution and filing of Forms ACP-69 used to assign payments issued under the 1939 Agricultural Conservation Program pursuant to section 8(g) of the Soil Conservation and Domestic Allotment Act, as amended.

No assignment of payments under the 1939 Agricultural Conservation Program will be recognized by the Agricultural Adjustment Administration unless part I of Form ACP-69, on which such assignment is made, is executed and filed in the office of the county agricultural conservation association on or before October 31, 1939 or the date the application is approved by the county committee, whichever is the earlier. County offices should be instructed to give the necessary publicity to such final date.

Part II or part III of Form ACP-69 must be signed by the assignee, witnessed by a disinterested person, and filed in the office of the county agricultural conservation association in which the related assignment is filed at or immediately prior to the time application is made by the assignor to the United States for payment.

If it is impracticable for the assignee to come to the office of the county agricultural conservation association or to a designated place in the county to execute part II or part III of a Form ACP-69 which is on file in the county office, a Form ACP-69, with part I typed and copied from the assignment on file in the county office, should be forwarded to the assignee with a request that he execute part II or part III thereof, whichever is applicable, and return the Form ACP-69 to the office of the county agricultural conservation association immediately.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 16, Supplement 1
(Applicable to Ala., Ark., Fla., Ga., La., Miss., & S. C.)

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

Washington, D. C.

September 8, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Final date for filing Forms ACP-69 under the 1939 ACP

This letter amends 1939 General Letter No. 16, issued July 18, 1939, in connection with the above captioned subject as it relates to assignments to secure payment for services, rendered after October 31, 1939, in connection with the construction of terraces.

The final date for filing Form ACP-69 under the 1939 Agricultural Conservation Program to secure payment for services rendered in connection with the construction of terraces is hereby extended to December 31, 1939 or the date the application for payment is approved by the county committee, whichever is the earlier.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 16, Supplement 1-A
(Applicable only to Oklahoma and Texas)

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

Washington, D. C.

September 8, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Final date for filing Forms
ACP-69 under the 1939 ACP

This letter amends 1939 General Letter No. 16, issued July 18, 1939, in connection with the above captioned subject as it relates to assignments to secure payment for services, rendered after October 31, 1939, in connection with the carrying out of the following practices:

1. Construction of terraces.
2. Construction of reservoirs and dams.
3. Construction of ditches.

The final date for filing Form ACP-69 under the 1939 Agricultural Conservation Program to secure payment for services rendered in connection with the above designated practices only is hereby extended to December 31, 1939, or the date the application for payment is approved by the county committee, whichever is the earlier.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 17

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

July 19, 1939.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Regulations governing execution of Form ACP-69

The attention of this Division has been directed to the fact that certain provisions of ACP-70, "Instructions Relating to Assignments and Use of Form ACP-69", are not being strictly followed in some counties. We particularly have noted reports that certain county offices are permitting blank Forms ACP-69 to come into the possession of persons or organizations whose business is that of furnishing cash, supplies, or services to farmers. This is contrary to the regulations and the practice must be discontinued. It has also been called to our attention that in some cases assignees have brought to the county office, to be witnessed, assignments which had already been signed by the assignor.

Section VI, F, of ACP-70 reads in part as follows: "Copies of Form ACP-69 will not be furnished to persons who intend to advance cash, supplies, or services to farmers." This provision applies to all lending agencies and individuals, such as landlords, banks, supply merchants, and fertilizer dealers, Federal Land Banks, etc.

The regulations provide that the treasurer or the secretary of the county committee, or a member of the county or community committee, must personally witness the signature of the assignor. Forms ACP-69 executed by assignors and later turned in to the county office to be "witnessed" at the convenience of the county committee are not acceptable. Each official witnessing the signature of an assignor in part I of Form ACP-69 must be present at the time such signature is affixed and immediately thereafter should enter his signature in the space designated. The regulations further provide that Forms ACP-69 may only be executed at such times and at such places as are designated by the county committee, in the interest of saving expenses and the time of all concerned.

Please remind all committeemen in your State that all assignments must be made strictly in accordance with the law and the applicable regulations and instructions. We further suggest that every committeeman and secretary and treasurer of each county agricultural conservation committee be requested to review carefully the provisions of Form ACP-69, ACP-70, and ACP-70, Amendment 1.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 18

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

August 2, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Division.

Re: Performance Work for 1939 and 1940

After reviewing the reports of members of this Division who are working on performance, I think it would be well for each State committee to review performance work in their respective States with the view of increasing the efficiency of performance personnel and maintaining a high standard of performance with all provisions of the program.

In order to improve the quality of performance each year, we must take advantage of the experience gained during the past year. I have been told several times by people in the field that we are doing the best job of performance this year that we have ever done and that this has caused producers to have greater respect for the program. However, there have been a few cases called to my attention where a very poor job is being done. I believe the quickest way to kill the effectiveness of the program is to allow farmers to lose respect for it because of a poor job of checking performance.

No doubt you already have in mind some improvements in performance work for the current year as well as for the coming year. In this connection I believe it would be helpful if you would write a letter to each county office calling attention to the fact that in some cases the spot checkers from the State office have found some tendency on the part of performance reporters to be lax in checking soil-building practices and classification of crops. Although it has been demonstrated that it is a simple matter to determine the correct acreage in each field or part of a field when aerial photographs are used, some substantial errors in measurements have been found. There is no excuse for the acreage of special crops such as cotton to be measured less than the actual acreage and the acreage of legumes and grasses measured in excess of the actual acreage. As for the classification of crops and checking soil-building practices, this requires more care and judgment on the part of the reporter. Reporters should be cautioned particularly about the practices which were approved in order that we might attain the high standard of performance that all of us would like to see. We should assure ourselves that the assistance we are giving farmers under the program results in the maximum amount of soil building being accomplished. There is quite a large list of practices from which a farmer may select and after he has chosen the practices he desires to carry out, he should at least achieve the minimum standards which are set out in the specifications. You, as a farmer, would not pay for having practices carried out on your farm in the manner in which some of them are now being

carried out. Looking to next year, I believe that if we refused to certify those practices which do not meet the minimum requirement in each county, it would give us a higher type of performance for 1940. As for personnel, it might be well to maintain a list of performance reporters showing the comparative efficiency of all reporters in checking performance in 1939. It will be much easier now to prepare a list of the reporters whose work is satisfactory than it will be next spring.

There is a tendency to ease up when a job is almost finished, just to get it completed. Instead of doing this, let us endeavor to finish the job of performance with the highest quality of work.

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 19 Issued August 4, 1939.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Multiple-Farm List for State Office

It is assumed that all county offices now have or will shortly have completed the list (or card file) for multiple landholders which they were requested to prepare in accordance with the instructions set out in SRM-323, dated June 16, 1939. They should be instructed to make a careful recheck of this list against the performance reports, to be certain that it is correct and that it includes all farm serial numbers (and ranching unit serial numbers in Oklahoma and Texas) for each multiple landholder in the county. Too much emphasis cannot be placed on the importance of this list and the necessity for its being accurate and complete in 1939. Errors in the list would result in erroneous certifications by the county committee in connection with the applications for payment.

As soon as the list has been completed and before any applications for payment are submitted to the State office under the 1939 Agricultural Conservation Program, the county office must prepare a typed copy of such list for the State office. On this list the names of the multiple landholders shall be arranged in alphabetical order by surnames, with the surnames listed before the given names or initials. Following each producer's name shall be entered his full mail address, and following the address shall be entered the serial numbers of all farms (and ranching units) in which he has an interest in the county. If all the serial numbers cannot be entered on the same line with the name and address of the producer, they shall be entered on the line(s) immediately below or on a supplemental list, securely attached to the original list. Where a supplemental list is attached, a proper reference to such list shall be entered on the original list in the space for serial numbers. Any farm serial number circled on the original list pursuant to the provisions of item (4) of SRM-323, by reason of the fact that the farm covered thereby is rented by the multiple landholder to another person for cash, standing rent, or fixed rent, should also be circled on the list for the State office unless it appears from the application work sheet that the multiple landholder is in 1939 carrying out approved soil-building practices on the farm in question.

The State office may wish to prepare a mimeographed form for use by all county offices in order that the lists which it is to

handle will be of a uniform size and design. The list submitted to the State office must be certified as correct by at least two members of the county committee and by the secretary of the county association. If any errors or omissions are discovered after the list is submitted to the State office, that office should be notified of the correction immediately.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 20.

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.

August 12, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Division:

Re: Withholding payments for misuse
of cotton marketing quota cards

The 1939 Agricultural Conservation Program provides that the normal yield of cotton for a farm shall be the average yield per acre for the farm, adjusted for abnormal weather conditions, during the five calendar years immediately preceding the year for which the normal yield is used. If for any year of such five-year period data are not available or there is no actual yield, the normal yield for the farm shall be appraised, taking into consideration weather conditions, fertility of the land, type of soil, drainage, production practices, the normal yield for the county, and the yield in years for which data are available.

Pursuant to Section 373(a) of the Agricultural Adjustment Act of 1938, each ginner is required to keep records and make reports of all cotton ginned by him during any year in which marketing quotas are in effect, and to identify the cotton with the farm on which it was produced. The marketing cards, which are used to identify cotton when marketed in accordance with the cotton marketing quota regulations, are also used by the producer to identify cotton ginned, in order that the ginner may ascertain and report the farm on which the cotton was produced.

In determining the yield for 1938, records obtained by carrying out the cotton marketing quota regulations for the 1938-1939 marketing year are presumed to be accurate and reliable records of actual farm yields, in the absence of any evidence to the contrary.

It has been brought to our attention that in some cases producers to whom "white" cotton marketing cards were issued have had ginned as their own, cotton produced by other persons to whom "red" cotton marketing cards were issued.

The usual purpose of such improper use of marketing cards is to cause the creation of a record showing that the production, as recorded by the ginner for the farm with respect to which the red card was issued, is not in excess of the cotton marketing quota established for such farm. All of these cases which are known to the county committees should be thoroughly investigated in connection with the cotton marketing quota regulations.

In view of the fact that the misuse of marketing cards as described above might result in the computation of a yield for a farm in excess of the yield actually produced on the farm, the payment under the 1939 Agricultural Conservation Program and the 1939 Price Adjustment Program would be in excess of that due the farm if the correct yield had been determined, since the records of actual yields in the county office are determined from the ginner's report. It is believed that this practice does not conform with the spirit and intent of either of these programs.

Section 13E of Southern Region Bulletin 301A and Section 11E of Southern Region Bulletin 301B provide that all or any part of any payment which would otherwise be made to any person under the 1939 Agricultural Conservation Program may be withheld if he has adopted any practice which the Secretary determines tends to defeat any of the purposes of the 1939 or previous agricultural conservation programs. A similar provision for withholding payments is contained in the Price Adjustment Program Regulations.

Accordingly, the Secretary of Agriculture has determined that in cases where the county committee determines that a producer has used or has permitted, procured, or consented to the use of a marketing card contrary to the cotton marketing quota regulations in effect for the 1938-39 marketing year all of the payment which such person would otherwise receive under the 1939 Agricultural Conservation Program or 1939 Price Adjustment Program shall be withheld if erroneous yields resulted.

It should be pointed out that the using, permitting, procuring, or consenting to the use of a marketing card contrary to the regulations is not sufficient reason for withholding payments, but that it must result in an erroneous yield being computed before payment is to be denied. If the person who acted contrary to the marketing quota regulations notified the county committee of his action before the erroneous actual yield per acre for the year 1938 was computed from the records of the 1938 total production of lint cotton

in the county office, which were in error as a result of such person's act, or before he is notified by the county committee that his payment is to be withheld, payment should not be denied. Such cases should be immediately reported to this office in order to institute the proceedings necessary to enforce the law or to punish its violation. Payments shall be withheld only where the action contrary to the regulations results in erroneous county office records of the amount of cotton produced in 1938 on the farm in which such person has an interest and the 1938 yield computed for the farm on the basis of the erroneous production records is reflected in the normal yield established for 1939 for the farm.

In cases where the county committee makes the determination, all payments under the 1939 Agricultural Conservation Program, as well as payments under the 1939 Price Adjustment Program (cotton, wheat, and rice) will be withheld. Since payment is to be denied a person under this procedure in every county in every State in which he has an interest in a farm, it will be necessary that a plan be used similar to the one outlined in 1938 General Letter No. 56 for reporting to other counties and other States the names of persons who misused marketing cards and who have an interest in farms in more than one county in order that payments in these counties and States may also be withheld.

It is imperative that the correct cotton production for each farm be established each year. This is important under both the conservation program, the price adjustment program, and the marketing quota provisions. In the first two instances, payment being based on the cotton yield, can only be correctly computed when the correct production and yield are known. Under the marketing quota program, the amount of the marketing quota is dependent upon the cotton production on the farm. It is also very desirable to know the amount of production in a given year in order that the marketings and carryover cotton can be correctly ascertained.

The provisions of this letter should enable county committees to administer more effectively all programs in which cotton yields are an important factor. It should prove especially useful in discouraging "white card farmers" from attempting to aid "red card farmers" to evade the penalty provisions of the marketing quota regulations. It should be noted that the provision applies only to persons using or permitting, procuring, or consenting to the use

of a marketing card contary to the marketing quota regulations and would not include a sharecropper or share tenant on a farm in connection with which the marketing card was issued to and used by the operator or owner. It applies only to the person who acted contrary to the regulations and not to all persons on the farm. If the erroneous yield was not discovered until after the application was signed, payment should be denied the person misusing the marketing card, and the State committee notified of the fact so that appropriate action may be taken to institute such proceedings as may be warranted, including prosecution for fraud or attempt or conspiracy to defraud the Government. In all cases the payment to the other persons on the farm, if any, should be made on the basis of the correct normal yield. If the payment is made before the error is discovered, the producers should be requested to remit the overpayment and placed on the register of persons indebted to the Government if the overpayment is not promptly remitted.

County committees should be notified of the procedure outlined in this letter immediately.

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 20, Supplement 1

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

October 16, 1939

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Division.

Re: Withholding payments for misuse of cotton marketing quota cards.

The Secretary has recently approved a memorandum which constitutes his determination that the practice whereby a producer procured the assignment of an erroneous cotton yield for the farm for 1939 by using, permitting, procuring, or consenting to the use of any marketing card contrary to the Regulations Pertaining to Cotton Marketing Quotas for the 1939-40 Marketing Year (Cotton 307) tends to defeat the purposes of the 1940 Agricultural Conservation Program within the meaning of section 10(a)(1) of the 1940 bulletin, and also his determination that all payments to a producer who employed such practices which would otherwise be made under the 1940 Agricultural Conservation Program shall be withheld.

Accordingly, the procedure set forth in 1939 General Letter No. 20, changed with respect to year references to conform with the above, will prevail for purposes of the 1940 Agricultural Conservation Program, and the county committees should be notified immediately relative to this matter.

It is contemplated that a similar determination with respect to the 1940 Price Adjustment Payment Program will be recommended to the Secretary for his approval as soon as the regulations governing such program are approved.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 21

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

December 11, 1939.

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: County office reports of producers who knowingly overplanted cotton acreage allotments in 1939.

Any person who knowingly plants, or causes or permits the planting of, cotton on any farm in 1939 on an acreage in excess of the cotton acreage allotment established for the farm for 1939 is ineligible to receive any 1939 conservation payment with respect to such farm or with respect to any other farm or any ranching unit or turpentine place wherever located. For example, if in 1939 a producer is interested in farms in two different States and he knowingly plants, or causes or permits the planting of, cotton on the farm in one State in excess of the cotton acreage allotment, he thereby becomes ineligible to receive any 1939 agricultural conservation payment with respect to either of his farms.

In order to carry out the above provisions of the regulations it is necessary that you request each county in your State in which cotton was planted in 1939 to prepare from its records and forward to your office a list containing the following information with respect to each producer who, under the provisionsof SRM-348, is considered to have knowingly overplanted the cotton acreage allotment on one or more farms in the county in 1939 and who also has an interest in farms, ranching units, or turpentine places in other counties or States, or in turpentine places in the same county:

(1) The name and present address of each such producer.

(2) The serial numbers of all farms or ranching units in which the producer is interested in the county. The farm serial number of each farm which was knowingly overplanted should be followed by the words "knowingly overplanted." If the producer is interested in turpentine places, the words "Turpentine places" shall be entered.

(3) The name(s) of the counties (and States) where the producer's other farms, ranching units, or turpentine places are located.

Each county should be instructed to submit supplemental lists covering any cases not shown on the original list for the county.

The disposition to be made of the list after it is received in the State office may be illustrated by the following example: Suppose that

the county office of McLennan County, Texas, reports that John Brown knowingly overplanted his cotton acreage allotment in such county in 1939 and that he is interested in a farm in Hunt County, Texas, a farm in Webster Parish, Louisiana, a turpentine place in Clark County, Alabama, and a ranching unit in Riverside County, California. Upon receipt of the list from McLennan County, the name of John Brown will be placed on a "Stop Payment" list (or the Register of Indebtedness) for McLennan and Hunt Counties. A letter will then be addressed to the county office of Hunt County, advising that the county committee of McLennan County has determined that John Brown knowingly overplanted the cotton acreage allotment on one or more farms in that county in 1939 and requesting (1) that the county committee of Hunt County determine and advise the State office whether the John Brown reported by McLennan County actually has an interest in farms or ranching units located in Hunt County; (2) if he has such interests, that the State office be advised of the serial number of each farm or ranching unit in Hunt County in which John Brown has an interest in 1939; and (3) that any 1939 agricultural or range conservation check received for John Brown be returned to the Disbursing Office or, if already delivered, that the State office be advised accordingly.

The McLennan County report also shows that John Brown has an interest in a farm located in Webster Parish, Louisiana, a turpentine place located in Clark County, Alabama, and a ranching unit located in Riverside County, California. Since these are outside the State, the Texas State office should forward a letter, in duplicate, to this Division advising that the county committee of McLennan County has determined that John Brown knowingly overplanted the cotton acreage allotment on one or more farms in that county in 1939 (specifying the farm serial number of each farm which was knowingly overplanted) and that it has been reported that he has an interest in a farm located in Webster Parish, Louisiana, a turpentine place located in Clark County, Alabama, and a ranching unit located in Riverside County, California. (In any case where a turpentine place is involved, no matter where it is located, the same shall be reported to this Division.) Upon receipt of the letter, this Division will transmit the necessary information to the Louisiana State office, to the Forest Service (relative to the turpentine place), and to the Director of the Western Division. The Louisiana State office will proceed in the same manner as if the information were contained in a report received from a parish office in Louisiana.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

1939 General Letter No. 22

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

August 2, 1940

To All Administrative Officers and State Committeemen,
Agricultural Adjustment Administration,
Southern Region:

Re: Practices that defeat the purposes of the 1939 Agricultural Conservation and Price Adjustment Programs.

Section 16(a)(1) of the 1939 Agricultural Conservation Program Bulletin provides in part that: "All or any part of any payment which otherwise would be made to any person under the 1939 program may be withheld (a) if he has adopted any practices which the Secretary determines tends to defeat any of the purposes of the 1939 or previous agricultural conservation programs *** ." Section 6(d) of the 1939 Price Adjustment Program Regulations provides in part that: "All or any part of any payment which would otherwise be made to any person under the 1939 Price Adjustment Program may be withheld if the county committee finds that *** he has adopted any practices which the Secretary determines tend to defeat any of the purposes of the 1939 Price Adjustment Payment Program." These provisions appear to be consistent with the policy of the Congress.

The Secretary of Agriculture has determined that in all regions, including the Southern Region, the practices hereinafter set forth tend to defeat the purposes of the 1939 Agricultural Conservation Program and the 1939 Price Adjustment Payment Program, and that it is fair and reasonable to withhold, or require to be refunded, from any payments which otherwise would be made, or have been made, to a producer who has adopted one or more of the schemes or devices, the respective amounts set forth in connection with each of the following items:

(1) There shall be withheld, or required to be refunded, the entire payment with respect to the farm which otherwise would be made, or has been made, to a landlord or operator, including the landlord of a cash or standing or fixed-rent tenant, who, either by oral or written lease or by an oral or written agreement supplementary to such lease, requires by coercion his tenant or sharecropper to pay or to agree to pay to such landlord all or a portion of any Government payment which the tenant or sharecropper is to receive or has received for participation in the 1939 Agricultural Conservation Program or as a 1939 price adjustment payment.

(2) There shall be withheld, or required to be refunded, the entire payment with respect to the farm which otherwise would be made, or has been made, to a landlord or operator who requires that his tenant or sharecropper pay, in addition to the customary rental, a sum of money equivalent to all or a portion of the Government payment which may be, is being, or has been earned by the tenant or sharecropper.

(3) There shall be withheld, or required to be refunded, the entire payment with respect to the farm which otherwise would be made, or has been made, to a landlord or operator who knowingly omits the names of one or more of his landlords, tenants, or sharecroppers on an application for payment form or other official document required to be filed in connection with one of the above-mentioned programs, or who knowingly shows incorrectly his or their acreage shares of crops or unit shares of soil-building practices, or who otherwise falsifies the record required therein to be submitted in respect to a particular farm, thereby intentionally depriving or attempting to deprive one or more landlords, tenants, or sharecroppers of payments to which such landlords, tenants, or sharecroppers are entitled.

(4) There shall be withheld, or required to be refunded, the entire payment with respect to the farm which otherwise would be made, or has been made, to a producer who requires his tenant or sharecropper to execute an assignment ostensibly covering advances of money or supplies to make a current crop, but actually for a purpose not permitted by the regulations.

When it comes to the attention of and is determined by the county committee, with the approval of the State committee, or when it is determined by the State committee, that a producer has adopted one or more of the practices set forth above, there shall be withheld from any payments which otherwise would be made (or there shall be required to be refunded from any payments which have been made) to the offending producer, the respective amounts set forth in the above items.

Walter L. Randolph

Walter L. Randolph,
Acting Director, Southern Division.